



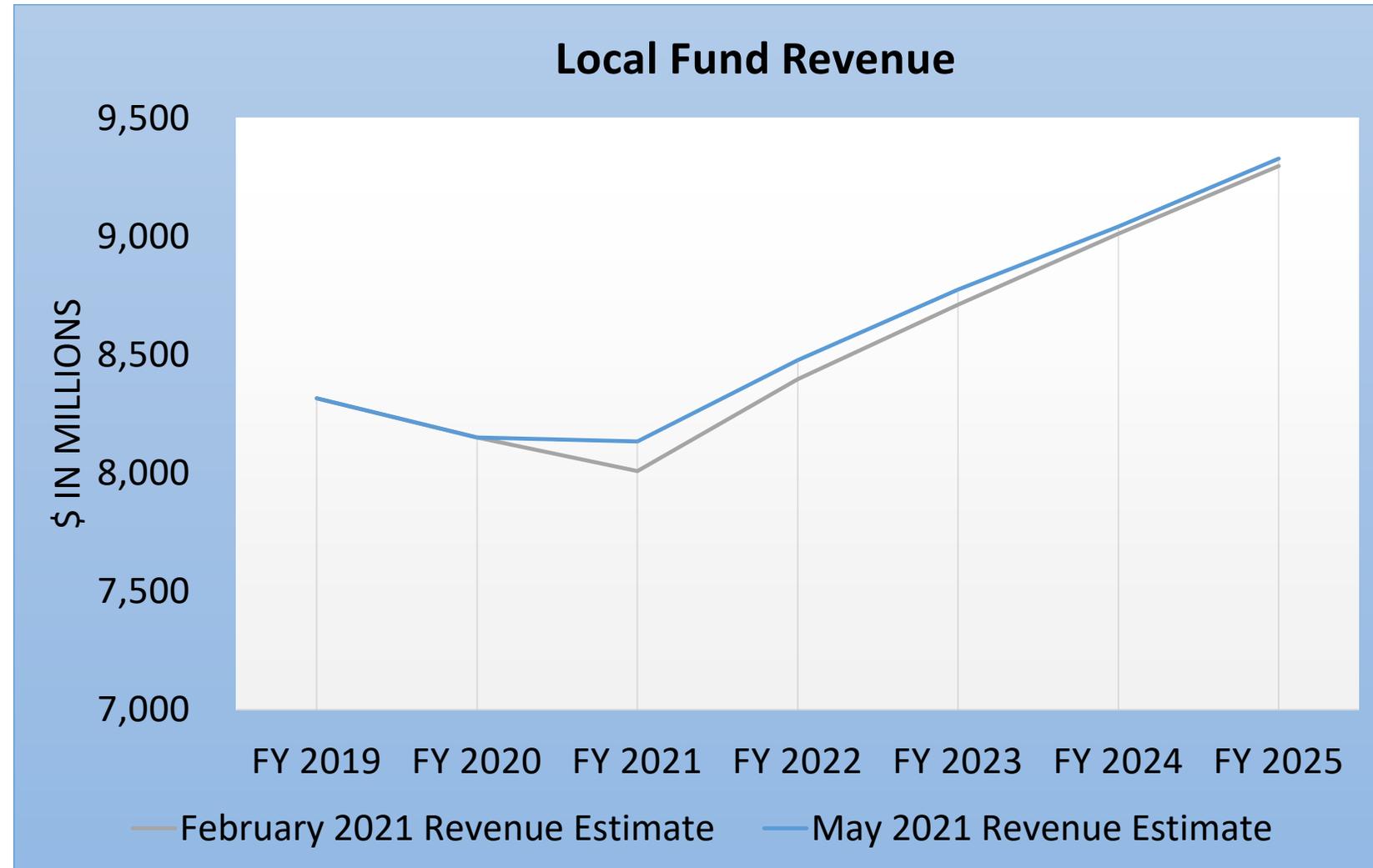
# May 2021 Revenue Estimate Presentation

May 14, 2021

# May 2021 revision: +\$330.8 million for FY 2021- FY 2025



- ✓ Improved outlook for the stock market is the major change as the economy continues to recover as expected
- ✓ Impact of American Rescue Plan (ARP) tax provisions incorporated
- ✓ Phased reopen plan on track as expected in February, with full reopen by Fall 2021



# FY 2021-FY 2025 Financial Plan



## May revenue estimate compared to previous estimate

Local Source, General Fund Revenue Estimate (\$M)	Actual		Estimated			Projected	
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
<b>February 2021 Revenue Estimate</b>	<b>8,149.8</b>	<b>8,008.0</b>	<b>8,395.5</b>	<b>8,710.6</b>	<b>9,011.2</b>	<b>9,297.4</b>	
<i>May revision to estimate</i>		145.4	118.4	59.6	24.4	25.5	
<i>Impact of American Rescue Plan (ARP)</i>		-20.1	-37.1	4.4	5.0	5.2	
<i>Total revisions to February estimate</i>		125.3	81.3	64.1	29.4	30.7	
<b>May 2021 Revenue Estimate</b>	<b>8,149.8</b>	<b>8,133.3</b>	<b>8,476.8</b>	<b>8,774.7</b>	<b>9,040.6</b>	<b>9,328.1</b>	
<b>Revenue Change From Previous Year</b>							
Amount	(165.0)	(16.5)	343.4	297.9	265.9	287.5	
<i>Year-Over Year Percent Change</i>	-2.0%	-0.2%	4.2%	3.5%	3.0%	3.2%	

\* FY 2021 revision largely related to one time payments and stronger year-to-date business tax collection .

# Components of May Revision



<b>Major Components of May revision (\$000)</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Individual Income Tax (IIT)</b>	<b>\$35,123</b>	<b>(\$8,028)</b>	<b>\$41,276</b>	<b>\$44,583</b>	<b>\$48,918</b>
Revisions due to ARP	(\$20,820)	(\$39,839)			
Revisions due to Economic updates	\$55,943	\$31,811	\$41,276	\$44,583	\$48,918
<b>Business Income Tax</b>	<b>\$70,645</b>	<b>\$66,933</b>	<b>\$59,210</b>	<b>\$59,290</b>	<b>\$73,408</b>
Revisions due to ARP	\$729	\$2,780	\$4,426	\$4,972	\$5,188
Revisions due to Economic updates	\$69,915	\$64,153	\$54,785	\$54,318	\$68,220
<b>Real Property: Deferral of Tax sale</b>	<b>(\$12,494)</b>	<b>\$12,494</b>			
<b>Deed taxes and other</b>	<b>\$32,059</b>	<b>\$9,911</b>	<b>(\$36,424)</b>	<b>(\$74,490)</b>	<b>(\$91,609)</b>
<b>Total Revisions</b>	<b>\$125,333</b>	<b>\$81,310</b>	<b>\$64,063</b>	<b>\$29,383</b>	<b>\$30,717</b>

# Recovery: FY 2021-FY 2025 Financial Plan gap is eliminated

The gap between February 2021 revenue forecast for FY 2021-FY 2025 and budgeted revenue in FY 2021 Budget and Financial Plan is eliminated with May revisions

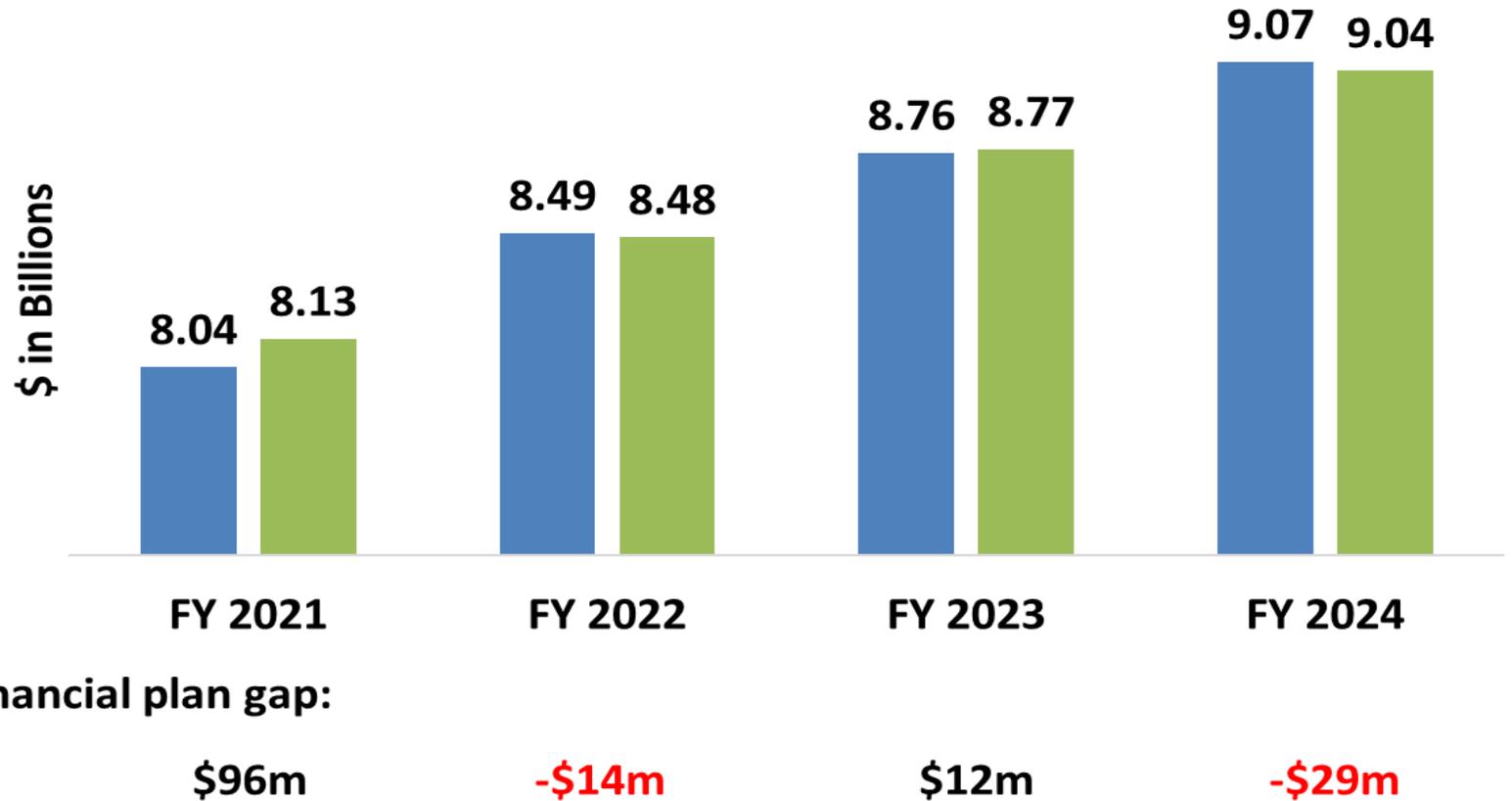
A surplus of \$65.1 million compared to a \$235 million gap reported in February 2021 estimate

Still \$2.04 billion below the pre-COVID forecast.

## Local Fund Revenue: Estimate Comparison

■ FY 2021 Budgeted Revenue

■ May 2021 Revenue Estimate



# Risks to Recovery and Outlook



- ✓ Pandemic worsens / new wave of infection
- ✓ Vaccine acceptance lags
- ✓ Remote work expansion poses post-pandemic risk
- ✓ Structural changes related to population growth
- ✓ Tourism slower to recover due to lack of travel confidence
- ✓ Increased volatility of revenue from Federal tax law changes
- ✓ Inflation or rising interest rates shock stock market
- ✓ National security, cyberthreats and other global issues